

Exhibit A

STATE OF WISCONSIN

CIRCUIT COURT

TREMPEALEAU COUNTY

Pronschinske Trust dated March 21, 1995
W21818 State Rd 95
Arcadia, WI, 54612,

Case No. 2016 CV _____

Plaintiff

v.

Case Code: 30303

Kaw Valley Companies, Inc.
5600 Kansas Ave.
Kansas City, KS 66106

And

KC Proppants, LLC
Paul Millis, Registered Agent
3624 Oakwood Hills Pkwy
Eau Claire, WI 54702,

Defendants

COMPLAINT

Plaintiff, Pronschinske Trust dated March 21, 1995, by its attorneys, Daniel C. Arndt and Maximilian Buckner of ARNDT, BUSWELL & THORN, S.C., brings forth this complaint.

GENERAL ALLEGATIONS

1. Plaintiff, Pronschinske Trust, dated March 21, 1995 (the "Trust"), is a valid trust created in the state of Wisconsin with an address of W21818 State Rd 95, Arcadia, Wisconsin 54612.
2. Ivan T. Pronschinske and Beverly A. Pronschinske are trustees of the Trust and are duly authorized to bring this lawsuit on behalf of the trust.
3. Defendant Kaw Valley Companies, Inc. ("Defendant KAW") is a Kansas corporation with its principal place of business located at 5600 Kansas Ave., Kansas City, KS 66106.
4. Defendant KAW is not registered to operate in the state of Wisconsin and does not have a registered agent in the state of Wisconsin.
5. Defendant KC Proppants, LLC ("Defendant KC") is a Kansas limited liability company with its principal place of business located at 10209 Leavenworth Rd, Kansas City, KS 66109.

6. Defendant KC is registered in the state of Wisconsin. Its registered agent is Paul Millis who's office is 3624 Oakwood Hills Pkwy, Eau Claire, WI 54702.

BREACH OF CONTRACT

4. On June 18, 2012, Plaintiff and Defendant KAW entered into a Mining Lease Agreement (the "Agreement").
5. Under the terms of the Agreement, Plaintiff agreed to lease a certain parcel of land that Plaintiff owned (the "Property") to the Defendant KAW to quarry, process, crush, manufacture, remove and sell sand, gravel, stone and other products from the Property.
6. The Agreement was for five (5) years.
7. Under the Agreement, Defendant KAW agreed to pay Plaintiff twenty thousand dollars (\$20,000.00) as consideration for entering into the Agreement. Said twenty thousand dollars (\$20,000.00) shall be used to offset future amounts and royalties due to Plaintiff.
8. Under the Agreement, Defendant KAW agreed to pay Plaintiff forty five thousand dollars (\$45,000.00) at the commencement of mine or quarry operations.
9. Under the Agreement, Defendant KAW agreed to pay Plaintiff an annual minimum production royalty of seventy five thousand dollars (\$75,000.00).
10. Plaintiffs consented to Defendant KAW assigning its interest in the Agreement to Defendant KC on or about February 25, 2015. Under such consent, Defendant KAW was not released for any of the obligations under the Agreement for delinquent payments.
11. Defendant KC attempted to cancel the Agreement by giving ten (10) days' notice of cancellation on January 27, 2016.
10. Defendant KAW has paid Plaintiff twenty thousand dollars (\$20,000.00) under the terms of the Agreement.
11. Mine and quarry operations were commenced on the Property and Defendant KAW and Defendant KC have failed to pay Plaintiff forty five thousand dollars (\$45,000.00).
12. The Agreement was in effect from June 28, 2012 to present.
13. Defendant KAW and Defendant KC owe Plaintiff \$375,000.00 in minimum production royalties for the for five (5) years of the Agreement.

WHEREFORE, Plaintiff demands judgment against Defendant KAW and Defendant KC:

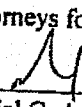
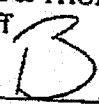
DAMAGES

1. \$400,000.00 in contract damages plus prejudgment interest.

2. Statutory costs.
3. Such further relief as may be appropriate.

Dated: August 26, 2016.

ARNDT, BUSWELL & THORN, S.C.
Attorneys for Plaintiff

 
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